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HON. WHITMAN L. HOLT

8 **UNITED STATES BANKRUPTCY COURT**  
9 **EASTERN DISTRICT OF WASHINGTON**

10  
11 In re:

Case No. 21-00141 WLH11

12 EASTERDAY RANCHES,  
13 INC.,

OBJECTION TO USE OF CASH  
COLLATERAL

14  
15 Debtor.

16 The Acting United States Trustee objects to certain portions of the motion  
17 for use of cash collateral for Ranches and Farms for the following reasons:

18 1. The final budgets were filed on Friday in Docket no. 414. Both contains  
19 lines for the administrative expenses of certain professionals – but only debtor’s  
20 and Committee’s.

21 2. The scope of the beneficiaries of the Segregated Funds for Professional  
22 Fees remains uncertain. The court may recall the discussion to seek a “carve out”  
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25  
26 **OBJECTION TO MOTION**  
27 **FOR USE OF CASH COLLATERAL**

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1 from DIP financing or some other similar source for the professionals. This  
2 appears to be a return to the original proposal of limited beneficiaries who may  
3 look to this segregated fund. The motion indicates the fund would only be used to  
4 pay professional hired by the debtor and the Committee and the budgets appear to  
5 be consistent with that limitation. This fund should not be restricted but be  
6 available for any equivalent claim holder in the class of administrative expenses.  
7 Nor should its beneficiaries be restricted if the case becomes administratively  
8 insolvent.

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11 3. Assuming the cash collateral flows in as predicted, the segregation of  
12 funds into an account is fine but the limitation of those future administrative  
13 claimants who may be paid from it is not. Such a limitation violates the priorities  
14 of Title 11.  
15  
16

17 Wherefore, the court is respectfully requested to deny these provisions of the  
18 motion, and for such other relief as the court may deem just under the  
19 circumstances of this case.  
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21 Dated: March 22, 2021  
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23 Respectfully submitted,  
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25 /s/ Gary W. Dyer

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Gary W. Dyer  
Assistant US Trustee

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